

DATE: April 7, 1999

TOPIC: MOLYCORP, INC.
NMD0022899094

DEADLINE OR DUE DATE: April 7, 1999

RA/DRA ACTION REQUIRED:

BACKGROUND:

The Molycorp, Inc. located in Taos County, near Questa, New Mexico consists of two separate areas: the mine and the tailings ponds. The mine lies along the Red River and several side drainages including Sulphur Gulch, Spring Gulch, Goathill Gulch and Capulin Canyon. Other features present in the mine area of the site are several ground water seeps along the Red River, catchment basins to control run-off, a network of mining-related roads and several areas of erosion referred to as hydrothermal scars. In 1992, a report was submitted to the congress(United States) by the New Mexico Water Quality Control Commission which reported an increase concentration in the Red River in the vicinity of the site of metals including, cadmium, copper, lead, silver and zinc.

CURRENT STATUS:

NMED submitted a draft HRS scoring package for the site which resulted in a site score above 28.5. Internal review of the package resulted in the identification of several deficiencies regarding attribution and natural background. The New Mexico Office of Natural Resource Trustee is conducting a natural resource damage assessment. The seeps and scar areas at this site have been reviewed by both Superfund and Water Divisions and have concluded that they may more appropriately be addressed by NPDES as discharges. The NPDES permit at this site expired in November 1998 and according to the permit writer, the seep areas may be included in Molycorp's new permit. The NMED ground water protection division is currently working with the PRP to conduct a site assessment to identify sources of contamination from groundwater to surface water.

TECHNICAL CONCERNS:

Background levels for the area are of concern and have not adequately been documented. Attribution has not been thoroughly documented. A background study is being performed by the University of New Mexico for the New Mexcio Bureau of Mines. Preliminary results have indicated that increased metal concentrations in the Red River watershed may in part be attributable to operations from this facility

COMMUNITY CONCERNS:

The NMED is supportive of listing the site on the NPL. Several residences are on alternate water supplies due to the contamination of their private wells.

FUTURE/RECOMMENDED ACTIONS:

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MOLYCORP, INC.
NMD0022899094

The Molycorp, Inc., site is situated in Taos County, near Questa, New Mexico. The site consists of two separate areas: the mine and the tailings ponds. The mine, surrounded by Carson National Forest, occupies approximately three square miles on patented land owned by Molycorp Inc. The mine lies along the Red River and several side drainages including Sulphur Gulch, Spring Gulch, Goathill Gulch and Capulin Canyon. The mine consists of both underground and open pit operations, a mill and two waste disposal areas. Other features present in the mine area of the site are several groundwater seeps along the Red River, catchment basins to control run-off, a network of mining-related roads and several areas of erosion subsequently referred to as hydrothermal scars.

Tailings ponds occupy approximately 1 square mile and consist of two large ponds. A series of pipelines transported the tailings from the mill site to the ponds until Molycorp became inactive in 1992.

A PA was conducted at the site in May 1980, and a SI was conducted in June 1981. The conclusion of these reports, were for no further remedial action and placing the site at a lower priority. However, EPA investigated Molycorp in 1983 and 1985 at their waste disposal area (landfill) located near the head of Spring Gulch. Soil samples were collected and analyzed for metals and organics but were inconclusive due to background samples. Conclusions from this investigation included further study under RCRA authority. In 1992, a report was submitted to the congress of the United States by the New Mexico Water Quality Control Commission which reported an increase concentration in the Red River in the vicinity of the Molycorp Mine of several metals including cadmium, copper, lead, silver and zinc. Because these metals are listed CERCLA hazardous substances, the site was re-opened for investigation under CERCLA authority. The New Mexico Office of Natural Resource Trustee became active in the site in 1994, investigating natural resource damages from Molycorp in the Red River area. A natural resource damage assessment is being conducted. An ESI and prescore was submitted to EPA in Oct. 1995.

An evaluation conducted by NMED using the HRS resulted in a score which exceeds 28.5. Although the score is above 28.5, several areas of the investigation that support the score are questionable. Background levels for the area are of concern and have not adequately been documented. The seeps and scar areas at this site have been reviewed by both Superfund and Water Divisions and have concluded that they may more appropriately be addressed under NPDES as discharges. The NPDES permit at this site expired in November 1998 and according to the permit writer, the seep areas will possibly be included in Molycorp's new permit.